

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

Representatives Present During the Inspection:							
Company	Vicky S. Miller Environmental Specialist						
OGM	Steve Demczak Environmental Scientist III						

Inspection Report

Permit Number:	C0070018		
Inspection Type:	COMPLETE		
Inspection Date:	Friday, May 16, 2008		
Start Date/Time:	5/16/2008 10:00:00 AM		
End Date/Time:	5/16/2008 12:00:00 PM		
Last Inspection:	Thursday, February 28, 2008		

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, windy.50's

InspectionID Report Number: 1659

Accepted by: jhelfric

Permitee: CANYON FUEL COMPANY LLC Operator: CANYON FUEL COMPANY LLC

Site: SOLDIER CANYON MINE

Address: PO BOX 1029, WELLINGTON UT 84542

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

6,624.64	Total Permitted
24.32	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

Types of Operations ✓ Federal ✓ Underground State Surface Loadout County Processing Other Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition: Canyon Fuel Company has just one permit condition for the Soldier Canyon Mine; to submit water quality data in an electronic format through the Electronic Data Input web site.

Permitting Actions: None

Inspector's Signature:

Steve Demczak, Environmental Scientist III

Date

Wednesday, May 28, 2008

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	\checkmark		\checkmark	
2.	Signs and Markers	✓			
3.	Topsoil	✓			
4.a	Hydrologic Balance: Diversions	✓		✓	
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	V			
4.d	Hydrologic Balance: Water Monitoring	✓			
4.e	Hydrologic Balance: Effluent Limitations	✓		V	
5.	Explosives		V		
6.	Disposal of Excess Spoil, Fills, Benches	V			
7.	Coal Mine Waste, Refuse Piles, Impoundments	V			
8.	Noncoal Waste	✓		✓	
9.	Protection of Fish, Wildlife and Related Environmental Issues	V			
10.	Slides and Other Damage	V			
11.	Contemporaneous Reclamation	V			
12.	Backfilling And Grading	V			
13.	Revegetation	✓			
14.	Subsidence Control	V			
15.	Cessation of Operations	V		V	
16.a	Roads: Construction, Maintenance, Surfacing	V			
16.b	Roads: Drainage Controls	V			
17.	Other Transportation Facilities	✓			
18.	Support Facilities, Utility Installations	✓		V	
19.	AVS Check	✓			
20.	Air Quality Permit	✓			
21.	Bonding and Insurance	✓		✓	
22.	Other				

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1. Permits, Change, Transfer, Renewal, Sale

The permit will expire on Feb. 12, 2012. The SPPC plan was last inspected on December 3, 2007. The UPDES permit will expire on March 31, 2011.

4.a Hydrologic Balance: Diversions

The diversions were spot-checked and would function as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond was inspected for the first quarter on March 28, 2008. No hazardous conditions were reported.

4.e Hydrologic Balance: Effluent Limitations

There was no discharge for the first quarter of 2008.

8. Noncoal Waste

The permittee is having a salvaging company to remove old mining equipment from the property.

15. Cessation of Operations

No mining activities are occurring at the site.

18. Support Facilities, Utility Installations

No new facilities

21. Bonding and Insurance

The insurance policy will expire on June 31, 2008.